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August 30, 2023

BY EMAIL

Golden Foothill Insurance Services, LLC
Life Factor II, LLC
Life Shares II, LLC
El Dorado Hills Insurance Solutions, Inc.
Lone Wolf Insurance Services, Inc.
Eldo Investments, LLC
The Genesis LS Fund, LLC
KTL Holdings, Inc.
DRVN Holding, Inc.
Life Shares 1019, LLC
Stefan Leer
Tatanisha Leer

c/o White & Williams LLP
7 Times Square, Suite 2900
New York, New York 10036
Attn: Shane R. Heskin
Stuart J. Wells
Alex D. Corey

**Re: Spin Capital, LLC v. Golden Foothill Insurance Services, LLC, et al.
N.Y.S. Sup. Ct., N.Y. Cty., Index No. 650582/2022 (Hon. Andrew Borrok, J.S.C.)
John Hancock Policy No. 5959268 (Insured: John Utsick)
DEMAND FOR IMMEDIATE TURNOVER OF INSURANCE PROCEEDS**

Dear Ms. Leer, Mr. Leer, Leer Defendants,¹ and Counsel:

As you know, I was appointed temporary receiver (the “Receiver”) in the above-referenced matter pursuant to the terms of an order dated January 6, 2023 (the “Receiver Order”), entered in the above-referenced case of *Spin Capital, LLC v. Golden Foothill Insurance Services, LLC, et al.* (the “Case”) by the New York State Supreme Court for New York County, Honorable Andrew Borrok, J.S.C. (the “Court”) [Case Dkt. No. 245].

The purpose of this letter is to address very serious violations of the terms of the Receiver Order by Stefan Leer and Life Shares 1019, LLC, and to demand the immediate turnover of **\$1,985,367.42** in improperly obtained proceeds of John Hancock Policy No. 59592683 (the “Policy”) on the life of John Utsick (the “Insured”).

¹ The “Leer Defendants” were defined in the related motion, dated August 30, 2022 [Case Dkt. No. 180], of Spin Capital, LLC (the “Plaintiff”), as the entities owned in whole or in part by Stefan Leer including defendants Golden Foothill Insurance Services, LLC, Life Factor II, LLC, Life Shares II, LLC, El Dorado Hills Insurance Solutions, Inc., Lone Wolf Insurance Services, Inc., ELDO Investments, LLC, The Genesis LS Fund, LLC, KTL Holdings, Inc., DRVN Holding, Inc., and Life Shares 1019, LLC.

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I. Relevant Portions of Receiver Order

Pursuant to the Receiver Order, the Receiver was appointed and granted the usual powers and directions for, among other things, the Policy. Receiver Order, ¶1.

The Receiver is authorized to “collect and receive all income, earnings, profits, refunds, distributions, and proceeds derived from the [Policy]” (Id., ¶10), and “anybody in possession of the same [is required to] turn [it] over to the Receiver” (Id., ¶11).

“[A]ll parties (including Leer Defendants, all other parties to this litigation, and their employees, representatives, agents, and attorneys) are hereby enjoined from interfering in any way with the Receiver in the performance of his responsibilities and duties and shall cooperate with the Receiver and abide by his requests for documents, records, or information”. Id., ¶13.

“[A]ll parties obligated to remit any income, earnings, profits, refunds, distributions, and proceeds to Leer Defendants on account of the [Policy] shall make such remittance to the Receiver; and that Leer Defendants are hereby enjoined and restrained from collecting any such income, earnings, profits, refunds, distributions, and proceeds and from selling, assigning, transferring, encumbering, amending, modifying, cancelling, terminating, or disposing of the [Policy]”. Id., ¶14 (emphasis added).

II. Violations of the Receiver Order

The Receiver was informed today of the following violations of the express term of Paragraphs 13 and 14 of the Receiver Order committed by, among possibly others, Stefan Leer and Life Shares 1019, LLC:

- Following the death of the Insured on or around June 8, 2023, on July 25, 2023, Life Shares 1019, LLC, by and through its principal Stefan Leer, submitted a claim to the proceeds of the Policy (the “Leer Policy Claim”) and requested that those proceeds (the “Policy Proceeds”) be paid directly to it through its account at the Bank of the West, Acct. No. *****1864 (the “1019 Account”).
- On August 16, 2023, John Hancock inadvertently honored the Leer Policy Claim (despite the existence of the Receiver Order and a competing claim by the Receiver) and sent by wire transfer \$1,985,367.42 (the “Policy Proceeds”) to the 1019 Account.
- Since August 16, 2023, the Leer Defendants have continued in possession, custody, and control of the Policy Proceeds without remitting them to the Receiver, or informing the Receiver that they received the Policy Proceeds.

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III. DEMAND

Based upon the foregoing, **demand is hereby made that the Leer Defendants immediately turn over the Policy Proceeds to the Receiver by wire transfer to the Receiver's account pursuant to the attached instructions in the full amount of the Policy Proceeds (\$1,985,367.42) by no later than 5:00 p.m. (ET) on August 31, 2023.**

If the Policy Proceeds are not turned over timely in accordance with this demand, the Receiver will seek appropriate relief from the Court.

Sincerely yours,



Fred Stevens

FS:moh
Attachments

cc (by e-mail):

Recipient	Role	Email
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**Spin Capital, LLC v. Golden Foothill Insurance Services, LLC, et al.
N.Y.S. Sup. Ct., N.Y. Cty., Index No. 650582/2022 (Hon. Andrew Borrok, J.S.C.)**

WIRING INSTRUCTIONS TO RECEIVER'S ACCOUNT

Incoming wiring instructions:

Beneficiary Name and address:

LIFE SHARES II LLC ET AL
FREDERICK STEVENS RECEIVER FOR
C/O FRED STEVENS 200 W 41ST ST 17TH FL
NEW YORK NY 10036

Beneficiary Bank Account:

██████████

Beneficiary Bank:

Signature Bank
950 Third Avenue, 9th Floor
New York, NY 10022

ABA or Routing Number:

026013576

If wire is coming from bank outside the *US* (*For US Dollar wire transfers only*):

SWIFT CODE: ██████████